

**LARRY** Hi. I'm Larry Ferguson. I'm the Capital Advance Program Coordinator for HUD's Multifamily Production office.

**FERGISON:**

**DAVE** Hi. I'm Dave Melanson. I'm a real estate appraiser with HUD and have been so since 1998, and have long been involved with the 202 and 811 process.

**MELANSON:**

**JAKE LEVINE:** Hi, everyone. I'm Jake Levine. I'm an Environmental Clearance Officer for HUD's Office of Housing, and I'm excited to be helping out with this NOFO presentation.

**LARRY** Next slide. Next slide. Next slide. Hi, this is Larry Ferguson again. And it's my pleasure to be part of this Section 811 NOFO webinar on environmental requirements that you would need to meet if you apply for funding under the fiscal year 2024 Section 811 Capital Advance NOFO. This webinar will review key requirements from the Section 811 Capital Advance NOFO and also provide some practical advice that you may find very useful.

**FERGISON:**

We have a slide at the very end of this presentation for general questions that you might have. And out of fairness to all applicants, we're unable to provide deal-specific advice that might give an advantage or a perceived advantage to one applicant over another. And I do want to thank you for your interest in our Section 811 Supportive Housing for Persons with Disabilities program, and good luck.

Let's talk about the site approval process and how HUD's handling environmental reviews now. So we're no longer approving the site at the time you make an application to HUD for funding under the 811 Capital Advance program. We used to do that in the past, but what we're doing now is we undertake an initial screening.

So it's basically we go into the Phase I environmental report and the other required items that your consultant will be submitting through HUD's Environmental Online Review System, HEROS. So it's going to be really important that you pay attention to following speakers who are going to cover consultants and what they're going to need to do.

But I do want to say that the process that we're now using is really similar to what we're using for FHA-insured financing. And one thing to keep in mind is it'll be very important to use engineers and environmental professionals that are familiar with the Multifamily Accelerated Processing. That's the MAP process. And I just want to say this is important, that if you don't follow this advice you may run into some real challenges and problems and potentially a rejection of your application. Next slide.

So the initial screening review is undertaken when your application is submitted to HUD. And it's just an initial screening. Like we say, it's not final. It's not done. And what it's going to do is really focus on some key items that are identified in the NOFO as threshold items, and it'll touch upon other items that the NOFO also calls out such as Superfund sites, floodways, and channels, because those will result in a rejection of your application if your site is in a Superfund site, for instance.

We would only do the full complete HEROS review after your application has been selected for funding. And during that point in time, you would have an opportunity to address what we would consider to be long lead time items and give us additional information. But the first review is really just a screening review.

Another thing that's kind of important is that you may not work on your site or buildings until the full HEROS review is complete. And there's only a few exceptions to that that you would need to get in writing from HUD an approval for specific work to be done on your site.

Again, it would have to be granted by HUD in advance, prior to any work, so please keep that in mind. And the bulk of this presentation is really going to focus on the items that we're looking for in a full review, but we all are going to emphasize best practices and key items that might lead HUD to reject your application. Next slide.

And now with this, I want to give a number of pieces of advice. It's really kind of tough love, but this does come from a good place. And we want you to pay attention to the NOFO. You should be reading it from front to back in general, but you should pay particular attention to environmental issues that get specified in the NOFO, especially pages 42 and through 46, all of the threshold items, and additional details we have on adverse conditions. And that's Rating Factor 5.e.

So this is really important. If you miss threshold items, you are at risk of having your application rejected. So you'll need to make sure that each and every one of the threshold items has been addressed. And this applies just universally with your application as well.

But some of the key things that we're finding that you want to avoid are Superfund sites, sites within floodways or flood channels, high coast hazard zones. Make sure that you include all of your HEROS worksheets. So in the HEROS application, there are-- program, there are worksheets that need to be completed by the environmental consultant, so make sure that each and every one of them's there.

Missing the correct level of the environmental review for a project, that's a big one also. So if you have a new construction project, that's going to require an environmental assessment level of review. So that's a C-- and so that's going to be important. And just to call out, a CENST, Categorically Excluded Not Subject to federal laws and authorities, that's not ever going to apply to the applications that you're putting in under this NOFO.

And if you don't know exactly what all this terminology is that I'm talking about right now, that's all the more reason for you to get an experienced consultant. And when I say experienced, they've done this before. Others are going to talk a little more about that too.

The Phase I report must be current. And current for this NOFO means within-- it has to be dated within six months of the application due date. And finally, you want to make sure that you include vapor encroachment screen and other reports such as a Phase II and Phase III if they're warranted. And they are more specifically described in the NOFO because the Phase II and Phase III have special requirements. And again, read that NOFO because it has answers to all the questions you're going to have on these requirements.

But really, that concludes my intro and just things to keep in mind. Please make sure that you're reading the NOFO, as I'd said, especially pages 42 and 46. Now I'd like to turn the presentation over to my colleague, Dave Melanson. Thank you.

**DAVE  
MELANSON:**

Thank you, Larry. Next slide, please. And we don't need to do much on my introduction, so let's go to the next slide again.

Something Larry mentioned but I want to make sure is crystal clear is that once the application date passes, you may not touch your site. No construction, no modification of the site, grading, clearing, filling, et cetera is permitted, unless and until HUD has given you express written permission otherwise. If you have buildings and structures on site, do not remove them. Don't modify them in any way, again, unless HUD gives you express written permission.

Now, why are we so exercised about this that both Larry and I are talking about it? Because failure to abide by these restrictions could literally make your site forever ineligible for HUD funds. The only thing that's allowed if you have buildings on site is routine maintenance. It's described in Section 9.1.3 of the MAP guide. But let's just remember that. Next slide, please.

So how environmental works here-- review works here is a little different than perhaps what you've dealt with in the past. Environmental review uses a series of flags to note potential problems. And once that flag has been raised, once that issue or problem has been presented, it can only be lowered or taken away in one of three ways.

First, the environmental consultant who raised the issue can do additional research or testing to resolve it, or perhaps hire a specialty consultant to do it. Two, a state or federal agency with appropriate oversight of the issue can resolve.

Three, HUD can resolve the issue internally. This is rare and the least likely path of resolution. It would have to be a relatively easy and obvious problem with a pat solution. Generally speaking, HUD staff are not environmental professionals-- Jake is our exception here-- and we're going to rely on those outside professionals to resolve the issue completely. Next slide, please.

Now if this sounds difficult, it's because it is. And for this, you really need to have a HEROS consultant. HEROS is the HUD Environmental Review Online System. And it's absolutely critical that you have an experienced and capable HEROS consultant to make this part of your application. It may be the most important decision in terms of getting through the initial review process.

There are only two types of HEROS preparers that I have seen be successful. One, cities or counties that have frequent HUD interaction and have dedicated staff who deal with HEROS. Two, engineering companies who do a lot of work for FHA multifamily lenders through what's called our MAP program.

Asking a person on your staff, no matter how brilliant or how reliable otherwise, or even asking your favorite Phase I preparer to learn HEROS on the fly is a terrible strategy. It will work against you getting your project funded. Please don't do this to your project. It is simply not worth it. I understand it sounds like it should be something that someone can learn quickly. It is not. It takes years. Next slide, please.

So how do you find a HEROS consultant? Well, you'll be getting a list of potential HEROS consultants. You're going to have to winnow that list, though. I suggest interviewing some of the consultants that look reasonable and asking a few key questions such as, first, are you a registered HEROS user? And if the answer is anything other than absolutely yes, then they're not the person you need.

Second, how many HEROS submissions have you completed in the last 12 months? And the right answer is, we do a lot. We'll have to get back to you with the right number, but we're doing several a month.

Another option for you is to go to the link shown here on the slide, which is the public archive section for HEROS. Search by archive project and state. Now, you can limit it to city, but I advise starting your search more broadly.

Ignore any projects that get listed that don't look like apartment projects. They may say repair of this or construction of something that is obviously not an apartment. Ignore those and go to the others that kind of sound like they might be apartment projects. When you see the project name, click on it, and it will download a Word document to your Downloads file. Next slide, please.

Open your Downloads file and open one of those files that has been downloaded. First of all, the entire file should be 50 to 60 pages. That's how long these are.

If you have submitted HEROS in the past for something that is not real estate-related, you might be familiar with one that is only two or three pages long. That is not this. This is a very complex and detailed document.

On the first two or three pages of that document, you'll have the point of contact-- that's the contact of the HEROS contractor-- and the consultant. That is the HEROS contractor.

And there'll be some determinations on there. If you look down and you see level of environmental review determination categorically excluded as noted there, that is for an existing apartment property. If you go down and see determination finding of no significant impact or perhaps finding of significant impact, either of those are indicators that it's new construction or substantial rehabilitation.

Typically speaking, HEROS contractors who are active do both. So if you find one that has done a lot of apartments in your state, the state you're interested in, chances are you're OK here, and to include them in the list of contractors you will contact. Next slide, please.

So the focus of the HEROS environmental review are these items that are called the laws and authorities, and they are extremely important. The ones on the left impact resident health and safety. The ones on the right indicate environmental impact. Those that have a couple of asterisks probably interact with both.

But your document, your HEROS is going to have to address each of these items in detail. And if you have seen HEROS before that do not, it's because they are not the right kind in terms of what need to be provided here. Next slide, please.

So which of these are the most common problems? It's not to say that the others cannot be. They can be and are. But the most common issues are those on the left. Contamination and toxic substances, historic preservation. That applies to both the site and the building. Floodplain management, wetlands protection, noise abatement, explosive, inflammable hazards, radon, lead-based paint, and asbestos.

These are constant issues in every one of our projects, no matter what kind of funding they have. So just please be aware of this, that your environmental consultant will have to address everything on the list. And everything on the left-hand side of the list will almost certainly be of particular interest and concern. Next slide, please.

So the common sense way is to look at environmental issues. Do you think the site that you're looking at would provide a safe and pleasant setting for somebody that you care about? Do you want your parents, sibling, or child to live there? And if not, why not? Can all the site's issues, all of those many things we just looked at under the laws and authorities, be fully resolved? And can you get them corrected in just a few months? Because if not, time is your enemy. Next slide, please.

I tend to look at everything through the environmental justice framework when I'm dealing with HUD 202s and 811s. That's because these are particularly vulnerable populations. Now, there's the citation. I'm not going to read it to you. But specifically addressed in this is that HUD's environmental process needs to focus in on environment-- on vulnerable populations and make sure they're protected.

Now, within the HEROS process, there is actually a section that deals with this, and that tends to be more focused on the demographics of the area, including racial and ethnic makeup thereof. But environmental justice is also a framework. It's a framework that guides how we look at every site that serves low or very low-income or otherwise vulnerable populations, and that is that HUD cannot permit vulnerable residents to be put at risk or to be put in risk-prone circumstances. They need to also be sure-- we need to also be sure that vulnerable residents are not put in materially worse circumstances than what any other resident would freely choose. Next slide, please.

So when HUD is looking at a site and when you're looking at a site, we have two primary issues. First and foremost, as stated, resident health and safety. It's always our primary concern.

Second is making sure that the environmental impact referenced to the laws and authorities is properly coordinated with the agencies who oversee each of those specific environmental issues. Now, Jake will do a deeper dive into these issues, but I just want you to understand the complexity of what you're dealing with. Next slide, please.

So when choosing a site, it's not just about money. I know the cheap site looks attractive. But often, sites with environmentally challenging issues are cheap, but they also require a lot of staff time, both for you and for HUD. And HUD staff simply don't have the time to deal with all the multiple issues, so what's going to happen is it's going to be pushed back to your staff and specifically your consultants to meet all of the requirements. So please pick the cleanest and least problematic site that you can. Next slide, please.

Sites to avoid, existing and former gas stations, former dry cleaners. They absolutely are super hot. Sites near heavy industry, power line transmission facilities, pipelines or oil and gas operations. These often have very expensive and time-consuming environmental problems. So if you're out there looking and you can see these things, know that it's best to move on if you possibly can. So with that, I'm going to ask to go to the next slide and turn this over to Jake Levine, who is our true environmental expert here.

**JAKE LEVINE:** Thank you, Dave. Thanks for the excellent overall summary of the environmental review process and site selection principles. And thank you, Larry, for the overview of the program and some of the key issues for location and documentation that must be addressed at the application stage. I'm going to go ahead and dive into some of the most common areas of environmental compliance that need to be addressed during the application, and what HUD's looking for and what some of the pitfalls you may encounter are. Next slide, please.

So far from the only issue, but probably the most common issue that we see with applications, and certainly one of the most important is HUD's site contamination policy. All sites that are proposed for use in HUD programs need to be free of contamination that could affect residents or interfere with the desired end use of the site. And we're required to use the most recent professional standards to make those determinations, which brings us to the Phase I environmental site assessment and potentially subsequent documents as well.

Most of you are probably familiar with this in general, but as a refresher for those who might not be, a Phase I environmental site assessment examines the likelihood of contamination at the site. It does this through a combination of historical records and maps, databases of spills and other toxic releases, a professional site visit and interviews, and a number of other non-invasive techniques to examine whether there's the potential for contamination of the site.

It is absolutely a central document of the environmental review process and of your HEROS submission. And it must conform with the latest ASTM standard, which is E1527-21. It also needs to comply with Chapter 9 of the MAP Guide, which goes into much detail about the requirements of the Phase I and the subsequent documents that we'll discuss.

So if the Phase I preparer that you've used in prior years has no familiarity with the MAP Guide, you may wish to consider selecting another preparer because as we'll see on the next slide, HUD has requirements that go beyond the strict liability protection purposes of many Phase Is. And nearly all of the third-party HEROS consultants that you'll uncover during your investigation of other environmental review records will be able to do a MAP-compliant Phase I as part of their experience with HEROS. Next slide, please.

So as I mentioned, unlike the Phase Is that are conducted for banks, which are generally going to be narrowly tailored to making sure there's not a toxic release that could give potential financial liability to the site owner, a Phase I for HEROS expands beyond that to make sure it incorporates not just the potential for releases to the outside environment, but also is sufficiently protective of residents and other occupants of the final land use.

So with that, it includes a vapor encroachment screening to take a look at whether any contamination in the groundwater or soil has potential to emit vapors that can then penetrate the building. Items like asbestos and lead-based paint screenings that are common, especially for older buildings. Common-- existing building sources of contamination.

These Phase Is are required to take a look at contamination that exists on other sites that have the potential to migrate to the site in question. And very importantly, HUD must be specifically mentioned as an authorized user of the report, which enables us to conduct our proper due diligence.

HUD will post the Phase I to the publicly available HEROS record, so make sure that that's something that you're comfortable with. It's another reason to select sites that are suitable for residential use. An important note is that for the 2024 NOFO, HUD will reject properties that are located on Superfund sites. Next slide, please.

So the Phase I is going to take a look at those historic records, release databases, and other sources, and determine whether there's any-- what's known as a recognized environmental condition, which is tailored to the EPA's landowner liability protection laws, or any unacceptable risks to the end users of the property. And if either of those are identified, then a Phase II assessment is required. And if it's required, it must be included in the application.

The Phase II is going to entail actual physical sampling of the soil, soil vapors, groundwater, or any other potentially contaminated media. Just like the Phase I has a specific standard that it must conform with, the Phase II has to conform with ASTM's 1903 standard and Chapter 9.4 of the MAP Guide. And if during that sampling of any potentially contaminated media there are contaminants found that are above unrestricted residential screening levels, then a remediation plan or Phase III report is then required. Next slide, please.

Now, the remediation plan is another area that we frequently see errors that can trip up applications. This plan is also sometimes known as a Phase III report. If the remediation plan is required, it must either outline a plan to either remove the contamination completely or use what's known as risk-based corrective action. And that risk-based corrective action can have no active remediation occurring after the final closing or initial occupancy, whichever comes first. The requirements for remediation plans, which, again extend beyond just the liability protection purposes of these Phase I, II, and III standards are, again, found in Chapter 9.4 of the MAP Guide.

Now crucially-- and this is described in detail in the NOFO-- for sites that do require a remediation plan, the application itself must include that cleanup plan, plus an estimate of the cleanup costs, either an approval letter from the relevant federal or state authority or a discussion of the feasibility of securing such an approval letter before the firm commitment stage, and a discussion of the feasibility of completing the actual remediation work before the final closing or initial occupancy, whichever comes first.

HUD does not want to be presented with a situation where a project is no longer feasible because of the cleanup costs or because it won't be able to obtain approval from the relevant state authority. And so we want to make sure all of the necessary discussion and analysis for these crucial, essential steps are included in the application itself, not during the full post-election environmental review. So I cannot stress enough the importance of these items. Next slide, please.

So that was a lot of time spent on all of the documentation and reports related to site contamination because it is, again, an essential and frequent source of problems for applications. But there are a host of other related environmental laws and authorities that require and deserve your attention, and it will be important to have the proper documentation during the application for it

Historic preservation is certainly one of those. And as Dave mentioned earlier, this concept applies both to any existing buildings that may be affected by rehabilitation and to the site itself, both the cultural and archaeological resources that may be found in the ground and in cases where there may be an adjoining or onsite historic district, any visual effects to the surroundings that may occur.

During the historic preservation consultation process, the key players but not the only ones are the State Historic Preservation Officer that represents the interests of the state and often coordinates with municipal governments that have interests in the site. Usually, that SHPO is interested in the buildings themselves, but oftentimes they may be interested in potential archaeological resources as well.

The Tribal Historic Preservation Officers represent the interests of a specific tribe when a project location is within those tribal boundaries. But then even outside of those tribal boundaries, if there is a site that a tribe has an interest in because of their historic presence there, then HUD is required to consult with that tribe directly, not through the THPO. The THPO or the tribe is usually interested in the site for archaeological purposes, but again, they can be interested in that site for a host of other reasons as well. Next slide, please.

So applicants are required to fill out the historic preservation screen in HEROS as part of the application. Your HEROS consultant can lay a lot of the groundwork to provide the necessary information as part of that HEROS screen. But ultimately, HUD will be conducting the consultation directly with the SHPOs, tribes, and THPOs.

Certainly with the SHPOs, sometimes there is correspondence with the consultant to get additional background information to inform HUD's consultation. But again, HUD will end up doing the direct consultation during the full environmental review, and we need to have the requisite background information submitted for the application.

However, with tribes and THPOs, the correspondence should be strictly limited to government-to-government consultation, which means that HUD ultimately needs to conduct all of the correspondence with tribes and THPOs and not the third-party consultants. This can be a very sensitive issue, and so I want to underline the importance of it. Next slide, please.

So we're going to have several slides here dealing with floodplains and wetlands because not only are there the HUD regulations that are found at 24 CFR Part 55, but there are also additional requirements that are specific to this NOFO that applicants must be aware of. For general regulatory compliance purposes, buildings in or near floodplains or wetlands require applying what's known as the 8-Step decision making process.

That's another process that HUD ultimately is responsible for conducting and will do so during the post-selection full environmental review. But there is a lot of background work that can help facilitate that process and help HUD know the proper compliance channels that we need to pursue. And so those need to be addressed during the application by your HEROS consultant filling out the appropriate HEROS screen on that.

The full 8-Step process will include two public notifications, both an initial notification of the consideration of the project and a final notification after all of the determinations have been made. That can include public comment and additional information from the public as well.

As part of the decision making process, HUD is required to examine all options, various mitigation measures. And that can include rejecting the site when the flood risk is simply too great to accept. It's always best to choose a site outside of the floodplain without wetlands to facilitate a smoother environmental review and to protect residents. Next slide, please.

Some of the key terminology for demonstrating compliance with HUD's floodplain regulations and with the NOFO requirements are the 100-year floodplain and the 500-year floodplain. The 100-year floodplain is a zone that FEMA has determined on their flood insurance maps has a one in 100 chance or 1% chance of flooding in any given year. And similarly, the 500-year floodplain has been determined to have a one in 500-year chance or a 0.2% chance of flooding in a given year.

In either of these zones, this NOFO is accepting new construction and substantial rehab, but only if the following items occur. All residential units and building mechanical-- building mechanicals must be elevated to at least two feet above what's known as the base flood elevation. And the base flood elevation is the elevation that demarcates that 100-year floodplain. So it's the elevation that those maps have determined have a one in 100 chance of flooding in a given year. So that elevation plus two feet is where all residential units and building mechanicals must be elevated to.



And then any interior spaces that are below that level-- say a building lobby or indoor parking-- must be floodproofed up to that base flood elevation plus two-feet level. So floodproofing up to the base flood elevation plus two feet, and then elevation for residential units and mechanicals above that. Next slide, please.

Meanwhile, there are certain especially dangerous flood features that HUD is strictly prohibited from providing any assistance to. Those are the regulatory floodway, which is a zone of especially high-velocity flooding that occurs in and immediately adjacent to the channel for an inland waterway, and the coastal high hazard zone, which is a designated coastal zone with especially high waves and damaging wave action.

The only way those are even eligible for any HUD assistance is if they are in what's known as an incidental portion of the site. That means they're off in a corner of the site that's far away from the proposed building and improvements, far enough that there can be no improvements whatsoever in the 100-year floodplain that surrounds that floodway or coastal high hazard zone.

Things like buildings and parking are certainly considered improvements, and many other structures as well are never incidental. Things like landscaping or open space can be incidental on a case-by-case basis.

Again, floodways and coastal high hazard areas are moving water and are extremely dangerous, both for buildings and for people. And they're the areas that are most likely to cause irrevocable damage to a building and cause grievous danger to life and health for residents. So housing cannot be developed in those features. The restriction is absolute because the risks to life and safety are simply too great. Next slide, please.

For your application, again, your consultant will fill out the floodplain management screen in HEROS, but make sure that that includes the flood insurance rate map for the project location. That's the official FEMA map that determines where the 100-year and 500-year floodplains are and any floodways and coastal high hazard zones.

Your consultant will be in charge of including that documentation, but I highly recommend making sure they've done so and double checking that your project location is in an acceptable area and that the right documentation is included. You can generate a digital FIRMette, which is just a custom-made flood insurance map at FEMA's website. It's very easy. You just enter the address for your project location and then download the PDF map.

And then keep in mind that HUD will also check for any preliminary flood insurance rate maps. So maps that are not yet published, but will be so soon, plus any revisions or amendments to existing maps. So make sure that your consultant includes all of these in the application. Next slide, please.

For the unfamiliar, this is what the digital FIRMette generated from the FEMA website will look like. It will indicate the address that was entered in as the project location with the red dot you can see towards the center of the screen. It will-- if there are any 100-year or 500-year floodplains or floodways in coastal high hazard zones, those will be indicated as well with the legend on the right-hand side. Including this will allow HUD to easily assess what compliance measures are needed and whether the project is acceptable. And this must be included in the application. Next slide, please.

So noise is something that's sometimes overlooked when environmental concerns are considered, but noise has been demonstrated scientifically to have significant effects on residents' health, and HUD takes it very seriously. The way HUD's environmental reviews work for noise is that we are not accepting microphone measurements that are placed on a site for a short window of time and, say, extrapolated out to the year.

HUD has a specific modeling calculator in which traffic and other data is inputted, and then an average decibel level for the year is outputted. And this average decibel level has extra waiting for nighttime noise to account for the extra health effects that that incurs.

So after your consultant gathers the requisite traffic data, that needs to be projected out over the following 10 years following the application. The HUD Day Night Level calculator will give you that final projected decibel level. Anything below 65 decibels is generally not going to require any additional design changes or mitigation measures.

In between 65 and 75 decibels is what HUD calls the normally unacceptable zone and will require design changes, typically construction techniques for new construction that do a better job of absorbing noise from outside sources. Windows and doors with higher ratings and various other design techniques that can reduce that noise level.

If the project is above 75 decibels, then it's in the unacceptable zone. There are theoretically waivers that can be pursued for such a site, but they are very time-consuming and are not really feasible within the available time frames for this program. And therefore, sites that are shown to have a 75-decibel or higher projection will be rejected at the application stage. So make sure that you are choosing sites that can come in below that threshold. The architect for cases in which design changes are required must design according to this noise modeling and certify as to the compliance of the plans and later for the built property for reducing noise to acceptable interior levels. Next slide, please.

The common noise sources that are going to be modeled in the HUD calculator are generally all transportation-related, and they're the obvious things. Busy highways, railroads, and airports near the site. Again, keep in mind that the traffic levels and frequency of operations for railroads and airports need to be projected out 10 years beyond the application date to get the final noise reading in the calculation. Next slide, please.

Explosive and flammable hazards refer to above-ground storage tanks. And for each of these, there is also a HUD calculator that generates what's called acceptable separation distance based on the volume of the tank, the contents of the tank, and some of the mitigation measures that are already in place.

Again, this is something that the HEROS consultant will provide the technical analysis for, but make sure to look around the site to see if there are any of these above-ground tanks close by. It's incumbent on you to make sure that your consultant is doing the proper due diligence, that your proposal can move through the application stage. And then the next slide has some pictures of what to look out for in the area surrounding your property. Next slide, please.

These are the types of tanks that are going to require that modeling of the proper separation distance. And if your project is located within that radius, then existing barriers will be taken into account and new barriers may be required to be included in the design plan to protect the building and its occupants. Next slide, please.

Radon and asbestos and lead-based paint are common contamination sources for existing buildings. For radon, that applies to new construction too because it is a naturally occurring radiation product in soils. And so new construction will also need to account for it and build radon-resistant designs.

Many people are familiar with EPA's radon zone maps. That includes Zone 1, 2, and 3 based on the likelihood of the soil to contain decaying radon products. Those maps have been shown to not be as useful on a specific parcel scale, and so HUD requires radon testing and radon-resistant construction for all projects, regardless of their location.

The architect will, again, have to certify the compliance of the plans and then the property as built. And then some of my colleagues in the West Region at HUD have reported seeing elevated radon at over 75% of the projects they've reviewed. And this is across various radon zones again.

So I know that's a well-established resource in a lot of the housing sector, but just remember that for this NOFO and for any projects following the MAP Guide, testing and mitigation if necessary and radon-resistant construction for new construction is required regardless of the radon zone. Next slide, please.

For existing buildings that predate 1978, an evaluation of potential lead-based paint is required. And for existing buildings predating 1989, an evaluation of potential asbestos-containing materials is also required. If these buildings are to be retained on the site, then testing and removal of those contaminants is strongly recommended. In some cases, encapsulation or other methods to contain the risk to residents can be acceptable, but must have a detailed operations and maintenance plan that goes over how those contaminants will be contained over the life of the building.

For buildings and structures that will be demolished to make way for new construction, that demolition and disposal must meet all of the applicable state, local, tribal, and federal guidelines. And HUD will need studies and proof of all of this as part of the application process. Next slide, please.

So those are all of the specific environmental laws and authorities that we have time to cover during this webinar. There are others again, and they are detailed in the NOFO, so make sure you're familiar with it and all of the requirements for the HEROS screens and supporting documentation that are detailed in the NOFO.

I'm reproducing Larry's slide from earlier from the beginning of this presentation because of how important this is, because failure to abide by these items may result in the rejection of your application. So make sure to include all of the HEROS worksheets that are noted in the NOFO. Remember that floodways, coastal high hazard zones, and Superfund sites will be rejected outright. Make sure the correct level of review is put into HEROS.

The category of Categorically Excluded Not Subject to the environmental laws that Dave and I went over during this presentation is never applicable. And if your consultant selects CENST for the level of review, none of the HEROS worksheets that are required for the application will be available for the rest of the HEROS review. They will only show up as available to the consultant if a CEST or environmental assessment is selected.

Remember that the Phase I report and any subsequent contamination-related documents must be current within six months of the application due date, and that all of the contamination-related reports, vapor encroachment screens, Phase IIs and IIIs, also known as remediation plans, must be specifically described in the application and included if they are warranted from the result of the Phase I. Next slide, please.

So if there are any questions on anything presented today or any other part of the environmental review process, please direct them to [811CAPAdvance@hud.gov](mailto:811CAPAdvance@hud.gov). That's [811CAPAdvance@hud.gov](mailto:811CAPAdvance@hud.gov). And keep in mind that HUD will not be able to answer project-specific questions that may give one project an advantage over others. HUD can only provide general guidance on the environmental review and other NOFO-related processes, but cannot provide project-specific guidance.

So at this point, I'll let Larry or Dave jump back on if there are any concluding remarks to make. Again, thank you for your interest in the 811 program and into-- and in the environmental review process for ensuring quality sites for our residents.

**LARRY  
FERGISON:**

OK. This is Larry Ferguson. I'll jump on again. Thank you so much, Jake and also Dave. Really appreciated the insights that you shared with everyone here. I want to wish everyone the best of luck in preparing their applications, and have a terrific rest of your day. Thanks so much. Bye bye.